## THE FOLLOWING TESTIMONY IS BEING SUBMITTED TO THE

## PENNSYLVANIA MILK MARKETING BOARD BY ARDEN TEWKSBURY, MANAGER OF THE PROGRESSIVE AGRICULTURE ORGANIZATION

MARCH 2, 2022

## **Progressive Agriculture Organization (Like us on FACEBOOK!)**

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My name is Arden Tewksbury of Meshoppen, Pennsylvania (Wyoming County).

Mr. Chairman and Members of the Pennsylvania Milk Marketing Board:

Mr. Chairman, I'm again listing all of my past activities, but I'm not going to read them. I will list them at the end of my written testimony.

I am appearing here today in full support of the continuation of the over-order premium on Class I milk of \$1 per cwt.

My position is supported by the Progressive Agriculture Organization, the South Auburn Grange, the Elk Lake School district, the Susquehanna County Career and Technology Center, the Northeast Unit 19 (consisting of five counties in NE PA) and the new organization FARM WOMEN UNITED (membership consists of men, women and consumers, based in Meshoppen, PA).

Mr. Chairman, while we support the continuation of the \$1 premium because neither the United States Congress nor the USDA have come to grips in solving the unstable milk prices that our dairy farmers have been facing for many years.

Also, we recognize that most people in the United States are facing serious consequences from uncheckable inflation.

In addition, my testimony is weakened somewhat by the untimely closing of the Readington fluid plant in Whitehouse, New Jersey. As I have stated in the past, Readington Farms continued to pay our negotiated over-order premium since the early 1980s. It was a shock when Readington notified their producers on December 23, 2021 that they were closing their facility. I received notice of the closing a few days before the 23<sup>rd</sup>, and the first thing I did was to notify a representative of the Pennsylvania Milk Marketing Board as to what was going to happen. I wanted to be sure that Readington Farms would adhere to the termination notice to dairy farmers in compliance of the Pennsylvania law.

I understand that there were various conversations between the PMMB and officials of Readington Farms. I want to thank the Board for your strong support of our Pennsylvania dairy farmers. I understand there were nearly 150 dairy farmers cut loose by Readington two days before Christmas.

It appears these dairy farmers were picked up by Maryland/Virginia Cooperative and DFA. Unfortunately the majority of these dairy farmers may be now paying a marketing cost instead of receiving our negotiated premium.

I want to thank the dairy co-ops for moving swiftly to aid these dairy farmers. All this means I can no longer submit to the Board the importance of the Readington premium.

However, while the prices to dairy farmers are escalating, we must wonder how long these increased prices are going to last.

The Class I price the Board establishes for Area Three for February is \$26.55, and for March it will be \$27.44. Of course, these prices contain the \$1 per cwt. premium. The Class I price in Federal Order One which covers large portions of Pennsylvania for February is \$24.87, for March it will be \$26.13. These Federal prices start in the Boston Massachusetts area.

Mr. Chairman, with these higher prices, I have been concerned about our consumers willingness to pay these higher prices. Recently I have surveyed and have other members survey various stores in the Lackawanna, Luzerne and Lycoming County stores regarding the prices in these stores.

According to the Board, the in-store price for Area Three for February is \$4.38 per gallon. In Tunkhannock (Wyoming County), I found a store with six rows of whole milk that was selling at a price of \$4.38 per gallon. However, another store close by with eleven rows of whole milk was selling the price for a gallon of milk at \$4.69. According to the store personnel, they were selling a lot of milk at these prices.

Sunday I visited Bill's Supermarket in Daleville, Pennsylvania. This is the store I feature in some of our news releases. IMPORTANT: This store has 23 rows of whole milk. Their selling price for their store-brand milk is \$4.38 per gallon. They are

selling another brand of milk for \$4.83 per gallon. No matter which store I went to, the consumers that I talk to said we want to use the whole milk because it is the best milk.

In closing, if I take the national average cost of production as determined by the USDA, which is \$22.67 per cwt., and add the \$3.50 Class I differential in Order One, this would result in a Class I price in Boston of \$26.17. Again the Federal Order price for the same period is \$26.13 per cwt.

Certainly to me, this proves that we could work towards using the dairy farmers cost of production to establish fair prices.

While I realize the PMMB at the present time cannot use the dairy farmers' cost of production, I hope we can move in that direction across the country.

Our surveys show the majority of consumers still prefer whole real dairy milk!

Thank you for your support of our Pennsylvania dairy farmers.

\*In addition to operating my dairy farm in Meshoppen Township, Wyoming County, Pennsylvania for over 50 years, I have also been involved with many farm organizations. In the 1960s I served on the dairy committee of the Pennsylvania Farm Bureau, later on I served on the dairy committees of the Pennsylvania Farmers Union, and the Pennsylvania State Grange for several years. In the 1970s, I was elected to the Board of Directors of Eastern Milk Producers, which I served for 9 years. While there, I was on the Executive Board for 7 years, 2 years as

Vice-President, and 5 years as President of the Co-op. During my term as President, we were successful in bringing Leprino Foods into South Waverly, Pennsylvania, which took care of a substantial amount of milk that many times was homeless. After leaving the Board, I served as assistant to the General Manager, and later on, I did consulting work for Leprino Foods. During the 1980s, I was hired to do membership and dairy work for the Pennsylvania Farmers Union and was named manager of the Northern Tier Farmers Union Co-op. I also became a director of the Regional Marketing Cooperative Agency and also the Regional Bargaining Agency. In 1985, I was named Granger of the Year for the State of Pennsylvania. In 1991, several dairy farmers started the Progressive Agriculture Organization, which I have managed since that time.

Mr. Chairman, today in addition to representing the Progressive Agriculture Organization, I'm also representing the Dairy Subcommittee of the National Family Farm Coalition of Washington DC. I serve as Chairman of the Committee. The Coalition has other members in Pennsylvania in addition to Pro-Ag. Members of the Coalition come from at least 20 other states.

In addition to my credentials, I want to add that I have been a School Director of the Elk Lake School District for 59 years. I now have been elected to the Board of Directors of the Northeastern Educational Intermediate Unit (NEIU) regional Educational Board. This Board oversees 21 schools in the northeastern part of Pennsylvania. One of the benefits of this position has allowed me to obtain the support of all of these schools to officially support returning whole milk back into the school lunch program. \*

Arden Tewksbury, Manager